

INTRODUCTION

Mt. Clemens Community School District entered into contract #BA-01-50002 with the Michigan Family Independence Agency (FIA) to provide an After-School Program for children in grades K-9. The children participated in activities such as computer lab, tutoring, recreational activities, group discussions, field trips, and family night activities. The contract totaled \$344,125 and covered the period November 1, 2000 through June 1, 2001. Mt. Clemens Community School District was reimbursed for the actual costs incurred in providing these services, through submission of monthly billings to FIA.

SCOPE

The Office of Internal Audit performed an audit of Mt. Clemens Community School District to determine if the Agency's billings were accurate, allowable, and properly supported by the accounting records and supporting documentation, in accordance with the terms of the contract. Our audit was performed in accordance with Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

EXECUTIVE SUMMARY

Based on our audit we conclude Mt. Clemens Community School District underbilled FIA \$3,240 for security guard services. Our report recommends the Child and Family Services Administration inform Mt. Clemens Community School District that they may submit a revised billing to bill for the security guard services.

AUDITEE RESPONSE

The management of Mt. Clemens Community School District has reviewed the findings and recommendations included in this report. They indicated in a memorandum dated May 30, 2001 that they are in general agreement with the report.

FINDINGS AND RECOMMENDATIONS

Contractual Services – Security Guard

1. Mt. Clemens Community School District underbilled FIA \$3,240 for security guard service that was provided for the After School Program. These costs are allowable under the terms of the contract.

WE RECOMMEND that the Child and Family Services Administration inform Mt. Clemens Community Schools that they may submit revised billings to include the cost of the security guard service in the months in which the cost was incurred.

Case File Review

2. We reviewed client case records to determine if the required TANF and survey forms were on file. We tested 38 records out of a total of 313 students, and found 2 where the TANF forms were not in the file. The survey form was in the file for all 38 that we tested.